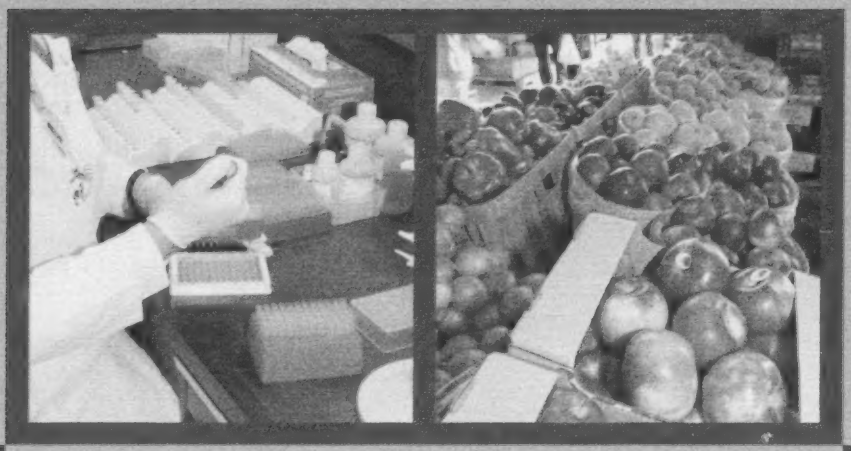
NOVA SCOTIA

Agriculture



2014– 2015 Statement of Mandate

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Message from the Minister

It is my privilege to present the Department of Agriculture's 2014-2015 Statement of Mandate, which outlines our mission, mandate and vision for the upcoming year.

This Statement of Mandate reflects our commitment to provide Nova Scotia's agriculture industry with the support it needs to grow the rural economy and to create new jobs across the province.

It also reflects our desire to create a strategic plan to increase the number of new farmers entering the industry and to enhance the exposure of students to agriculture in the classroom.

I encourage readers to visit our website at www.novascotia.ca/agri/ to learn more about our department and our priorities for the coming year.

Yours sincerely,

Honourable Keith Colwell, E.C.N.S.

Minister

Department Mandate

The Department of Agriculture supports the development of competitive, sustainable and profitable agriculture and agri-business industries that contribute to the economic, environmental and social prosperity of Nova Scotia's rural and urban communities.

The policy and corporate services division of the Department of Agriculture also supports the Department of Fisheries and Aquaculture in developing competitive and profitable ocean products and recreational fishing industries.

Department Vision

The Department of Agriculture's vision is of an agriculture and agri-food industry that is diversified, market-focused and profitable.

It is an industry recognized for its adaptable, collaborative business approach and its safe, exceptional quality products.

Moreover, it is an industry valued for contributing to the economy, the environment and vibrant rural communities.

Department Mission

To foster prosperous and sustainable agriculture, food and agri-business industries through the delivery of quality public services for the betterment of rural communities and all Nova Scotians.

Strategic Outcomes and Supporting Government Priorities

Our strategic outcomes reflect the anticipated impacts resulting from Government's efforts, programs and activities to pursue its' legislated mandate. The Department of Agriculture supports its mandate and the higher priorities of government by focusing on economic, environmental and social strategic outcomes.

Strategic Economic Outcomes

The following strategic outcomes aim to improve the economic welfare of the province. These outcomes support the government priority of "Prosperous businesses of all sizes - creating jobs across the province."

1. **A Diversified Industry - Diversification is important to the long-term sustainability of the Nova Scotia agri-food sector. It creates a reliance on many, rather than few, types of businesses and business models, can help stabilize financial returns, and provide a range of products to a diverse range of markets.**

    - **Key priorities in this area for the coming year include a focus on major growth sectors such as wine, apples, mink and blueberries.**

    - **The Department will support programs under Growing Forward II and key business development services across the provinces.**

    - **It will explore the potential to expand trade opportunities and take advantage of recently negotiated trade agreements with the European Union.**

2. **Innovative and Entrepreneurial Competitive Businesses - Enhanced business acumen, adaptability and entrepreneurial capacity of industry players should help to advance the competitiveness and profitability of these industries.**

    - **A key focus in the coming year will be enhancing business skills and training by adapting current programs to better support profitability and growth in business and employment opportunities in rural Nova Scotia.**

    - **The Department will focus on Innovation and Quality programming under Growing Forward II and the continued development of the Perennia Innovation Centre.**

- It will also invest $20 million annually in the Dalhousie University Agricultural Campus in Bible Hill to help ensure a continued focus on agricultural and food innovation.

3. Collaborative Value Chains that are Informed, Adaptive and Market Focused - Building a value-added, customer focused, and integrated value chain approach to business can lead to improved competitive offerings and increased customer satisfaction.

    - The newly established Regional Extension and Value Chain Development Teams support progress toward this outcome.

4. Attractive and Favorable Business Climate - Working with other key stakeholders and regulators, the Department can maximize the attractiveness of the Nova Scotia business climate for development opportunities.

    - The Department will focus on improving the legislative and regulatory framework and adapt programs to ensure that provincial investments are focused on jobs and growth.

Strategic Environmental Outcomes

The following strategic outcomes are focused on enhancing and promoting environmental stewardship. These outcomes support two of the government priorities: "Prosperous businesses of all sizes - creating jobs across the province" and "Consumer-focused energy solutions including a regulated, competitive energy market."

1. Preservation and Enhancement of Air/Water/Soil/Biodiversity Resources – Ensuring future generations of agri-business can benefit from these resources and help the province achieve its objective of resource stewardship.

    - The Department invests $672,000 annually in the Environmental Management program under Growing Forward II and leverages an additional $1.008 million of Federal funding to increase the productivity of agricultural land and ensure it is available for future generations.

2. Protection of Agriculturally Important Land and Landscapes Essential to the Public Interest - Protecting agriculturally important lands that have long term value to the public interest.

    - The Department is currently investing $3 million annually in the protection and maintenance of 241 kilometers of dykes and 260 aboiteau structures, which protects 17,400 hectares (43,000 acres) of land.

- The Department will take additional measures to preserve and protect agricultural land in the coming year building on the Protecting and Preserving Agricultural Land in Nova Scotia Policy Framework.

3. Environmentally Responsible, Aware and Focused Industries – Promote and support environmental stewardship for long term sustainability of agriculture and its environment.

    - The Environmental Management program under Growing Forward II helps producers implement Beneficial Management Practices (BMP's) to mitigate on-farm environmental risks identified in their Environmental Farm Plans.

    - Energy Pilot Programs will help demonstrate energy conservation and renewable energy opportunities based in agriculture.

Strategic Social Outcomes

The following strategic outcomes focus on promoting the social well-being of Nova Scotians. These outcomes support the government priority of "Prosperous businesses of all sizes - creating jobs across the province."

1. Public Appreciation of Agriculture and its Intrinsic Benefits - Increase public awareness and appreciation for Nova Scotia agriculture and the broad range of benefits and intrinsic qualities it contributes to life in Nova Scotia.

    - Business Development programs under Growing Forward II and Agricultural Awareness supports this priority.

    - The Department invests $600,000 on an annual basis to support Agricultural Education (Awareness) and Select Nova Scotia.

2. Agriculture as an Economic and Social Base in Rural Communities - Use and promote agriculture as a stabilizing and integrating force to help maintain rural communities through employment, procurement spending, and social engagement (volunteerism and community leadership).

    - Business Development programs under Growing Forward II and Agricultural Awareness supports this priority.

- The Department will support initiatives that encourage greater local food production and consumption such as increasing the supply of local food in public institutions and supporting community shared agriculture.

3. Healthy and Safe Industry Working Practices - Minimize workplace injuries that include financial and social costs, for which some cannot be fully compensated, and make agriculture a more attractive industry in which to work.

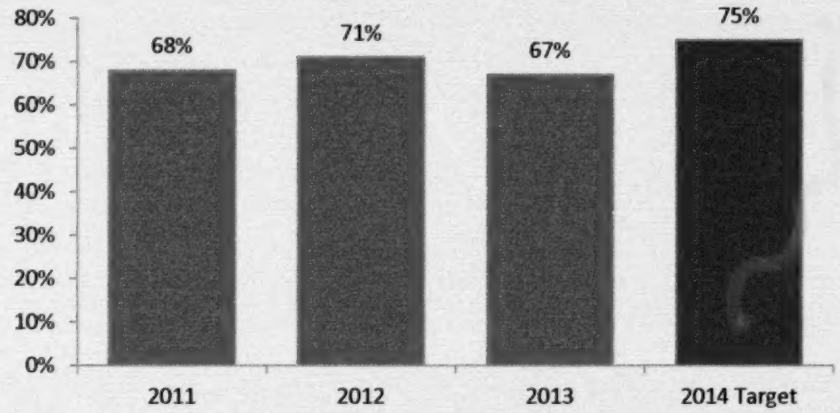
    - The Department will support Farm Safety Nova Scotia, a non-profit safety organization dedicated to advancing workplace health and safety within agriculture for Nova Scotia.

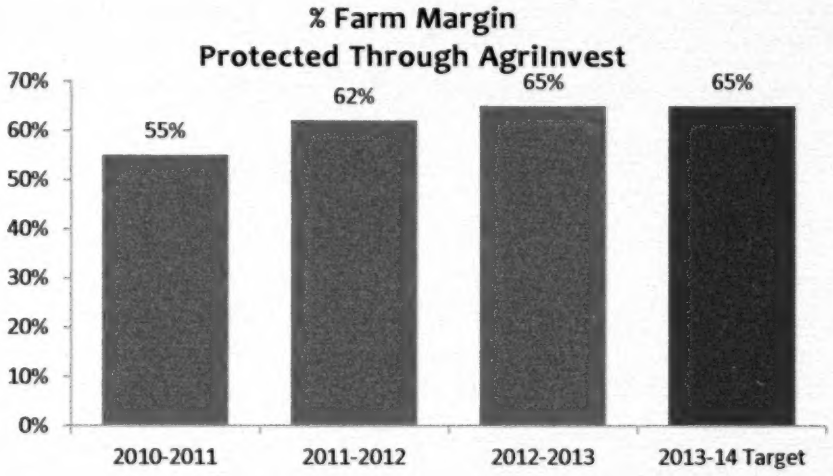
4. Healthy Safe Industry Products and Services - Maintain and build on our food safety system's reputation as a competitive advantage.

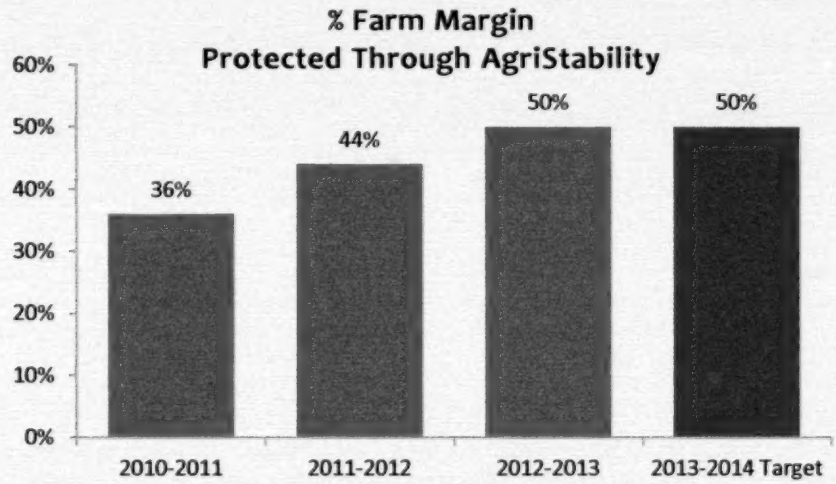
    - The Department provides a strong regulatory framework and enforcement mechanisms to ensure a safe food supply for all Nova Scotians and will continue to strengthen this framework in the coming year.

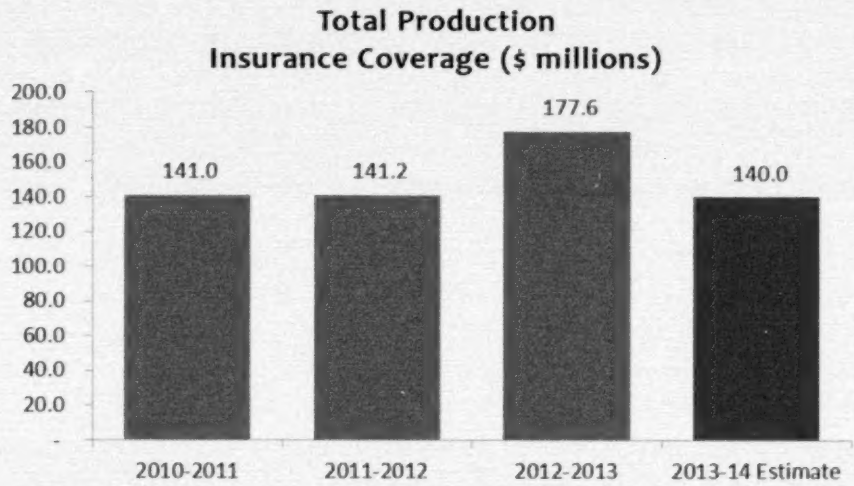
Performance Measures

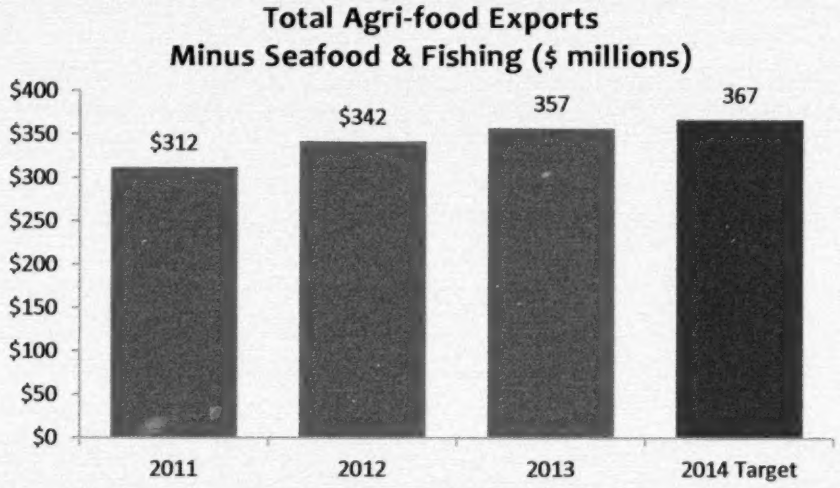
Progress toward the strategic outcomes of the Department of Agriculture is captured in each of the following performance measures: Environmental Stewardship, Industry Stability, Markets and Opportunities, and Support and Encourage Local Food Production and Consumption. Each performance measure shows the outcomes sought by the Department to fulfill its mandate. Also included are indicators and progress data, targets for upcoming years, and planned means of achieving targets.

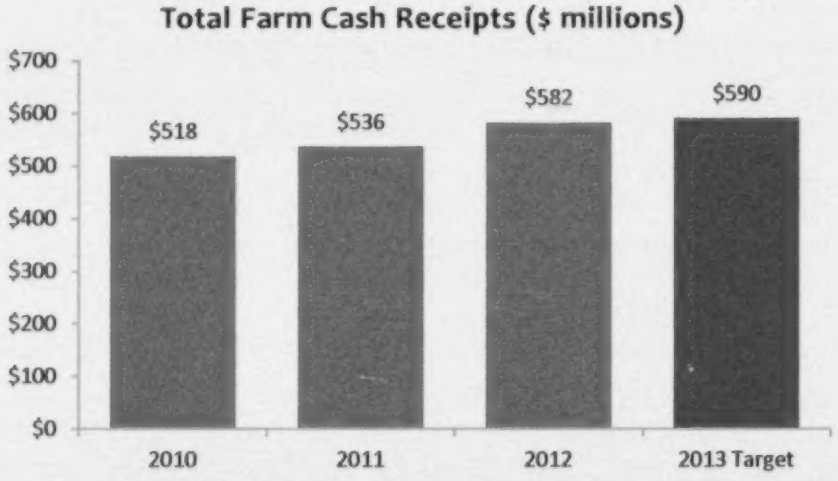
Outcome	Greater environmental responsibility. The Environmental Farm Plan program helps farmers identify and assess environmental risk on their property. It enables farmers to incorporate environmental considerations into their everyday business decisions.
Measure	Percentage of registered farms with an environmental farm plan
Data	 The percentage of registered farms with environmental farm plans has increased each year in the past. In 2013, there was a slight decrease in the percentage of registered farms with an environmental farm plan.
Targets	Increase the number of registered farms participating. The target for 2014 is 75%.
Strategic Actions to Achieve Target	Continue to encourage industry participation in the environmental farm plan program Expand the energy audit and assessment component of the program Support pilot projects based on renewable energy and agri-products

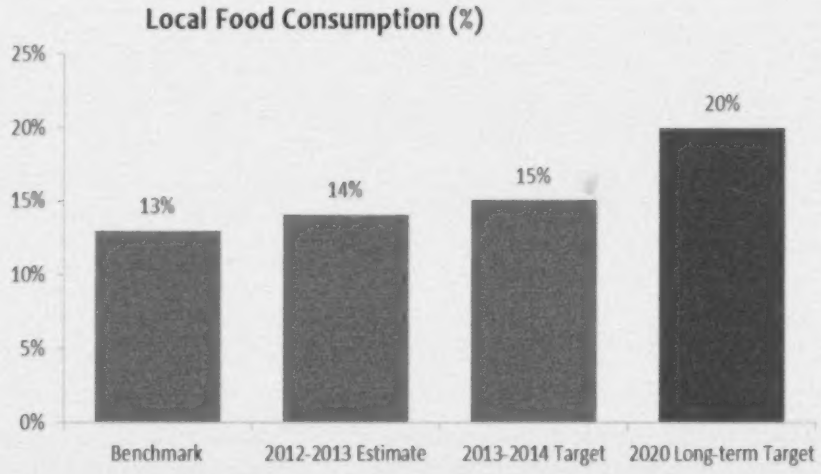
Outcome	Greater agricultural income stability. AgriInvest is a government/producer cost-shared initiative to encourage savings. The intent is to build a cash reserve for farmers to address smaller (less than 30% of historical average) fluctuations in net income. Participation is voluntary, with producers paying into a deposit account which is matched by government. Owners can access money in this account when needed.
Measure	AgriInvest participants' farm margins as a percentage of sector total farm revenues
Data	
Targets	Progressively increasing share of sector farm margin protected through AgriInvest. Updated information is only available in the next fiscal year. The target was 65% for 2013-14, unchanged from the previous year as program changes have affected expected producer participation.
Strategic Actions to Achieve Target	Ongoing promotions, including information sessions, personal communication with industry, and print media

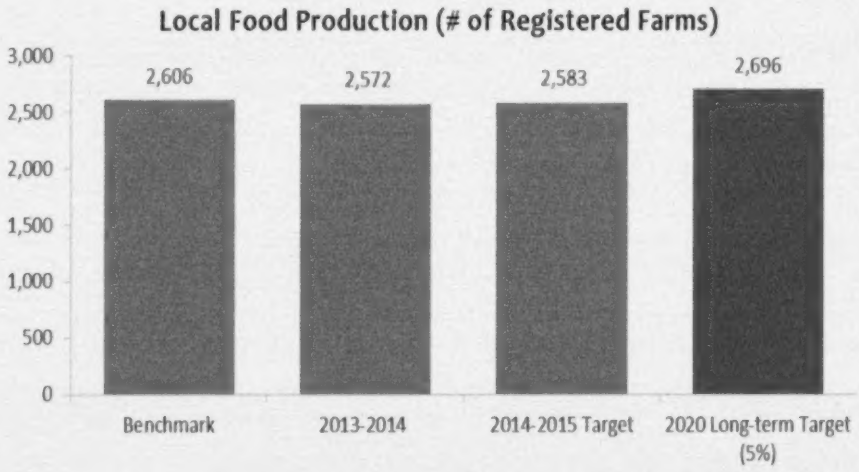
Outcome	Greater agricultural income stability. AgriStability is a government supported income stabilization program to protect producers against large fluctuation in annual net income (margin). Payments are triggered when margins decrease by greater than 30% of historical average. Participation is voluntary, with producers paying an annual fee based on their individual margins protected.
Measure	AgriStability participants' farm margins as a percent of sector total farm revenues
Data	
Targets	Progressively increasing percentage of sector farm revenue protected through AgriStability. Updated information is only available in the next fiscal year. The target was 50% for 2013-2014, unchanged from the previous year as program changes have affected producer participation.
Strategic Actions to Achieve Target	Ongoing promotions, including information sessions, personal communication with industry, and print media

Outcome	**Greater agricultural income stability. Agri-insurance is an insurance program which allows farmers to stabilize and protect income by insuring against income loss due to reduced crop yields caused by specified perils. This program covers 14 crops grown in the province, as well as dairy and poultry insurance.**
Measure	**Total production crop insurance coverage ($ millions)**
Data	 **Insurance coverage has increased in the past couple of years, but was expected to decline slightly in the last fiscal year.**
Targets	**Data is time-lagged; information for 2013 is reported in the next fiscal year (2014-15). The estimate is $140 million for 2013-14.**
Strategic Actions to Achieve Target	**Expansion of existing insurance products and implementing new products**

Outcome	Increased total and diversity of agri-food exports. Exports of agri-food products lead to greater market opportunities and economic growth. Export data is calculated by Statistics Canada, which counts exports from the province where they leave Canada.
Measure	Total agri-food exports, less seafood products and fishing ($ millions)
Data	 Agri-food exports have been on the rebound from the worldwide recession in 2010.
Targets	The target for 2014 is $367 million. For the long-term, the goal is continued increase in export sales.
Strategic Actions to Achieve Target	Inform trade negotiations to achieve favorable outcomes Focus on market and product diversification, branding, co-operative efforts, research and information and strategic alliances Support the Department of Economic and Rural Development and Tourism on trade-related initiatives

Outcome	Growth in total farm cash receipts. Farm cash receipts estimate the agriculture sector's farm gate value, an important part of the industry's economic impact. Farm cash receipts measure the gross revenue of farm businesses in current dollars. They include sales of crops and livestock products (except sales between farms in the same province) and program payments.
Measure	Value of agricultural production (farm cash receipts) ($ millions)
Data	 Farm cash receipts have recovered from the recession lows.
Targets	Information for 2013 is reported in the next fiscal year (2014-15). The target for 2013 was $590 million. The long-term goal is continued increase in farm cash receipts.
Strategic Actions to Achieve Target	Promote innovation, competitiveness and business planning On-going marketing and industry (and business skills) development Development of strategies and sector plans

Outcome	**Local food consumption is supported and encouraged, with the goal of 20 per cent of the money spent on food by Nova Scotians being spent on locally produced food by 2020.**
Measure	**In order to measure the proportion of ou food dollar that goes back to Nova Scotia Farms, a common proxy measure will be used. This measure considers the farm cash receipts for food produced on Nova Scotia farms in relation to the money spent on food (excluding seafood) annually by Nova Scotians.**
Data	 **In 2011-2012 (the benchmark year), this measure showed 13% of money spent on food by Nova Scotians being spent on locally produced food. Growth is estimated and targeted for this measure to reach the long-term target of 20% in 2020.**
Targets	**Provide continued support to encourage consumption of locally produced foods with the goal of 20 per cent of money spent on food by Nova Scotians being spent on locally produced food by 2020.**
Strategic Actions to Achieve Target	**The Province will continue to build upon existing programming with a focus on providing increased support to agriculture awareness and expanding the market responsiveness of the industry. Initiatives include, but are not limited to: Select Nova Scotia, Open Farm Day, School Gardens, Farmer for a Day, Ag Zone, Meet Your Farmer at the Mall, School Milk Program.**

Outcome	**Local food production is supported and encouraged, with the goal of increasing the number of local farms by 5 per cent by 2020.**
Measure	**The farm registration data will be used to measure the progress toward increasing the number of local farms relative to the number of local farms in 2012.**
Data	 **In 2012-2013 (the benchmark year), there were 2,606 farms registered within Nova Scotia. In 2013-2014, there was a drop in the number of farms registered in Nova Scotia. Growth is estimated and targeted for this measure to reach the long-term target of 5% in 2020.**
Targets	**Provide continued support to encourage local food production with the goal of increasing the number of local farms by five percent (5%) by 2020, relative to the number of local farms in 2012.**
Strategic Actions to Achieve Target	**The Province will continue to build upon existing programming with a focus on providing increased support for new entrants, business skills development initiatives, risk management programming and expanding the innovative capacity of the industry.**

Budget Context

	2013-14 Estimate ($thousands)	2013-14 Forecast ($thousands)	2014-15 Estimate ($thousands)
Senior Management	596	515	513
Policy and Corporate Services	45,000	44,303	42,780
Agriculture and Food Operations	16,377	16,629	17,675
Total Gross Departmental Expenses	**61,973**	**61,447**	**60,968**
Additional Information			
Fees and Other Charges	(1,896)	(1,821)	(1,663)
Ordinary Recoveries	(6,146)	(5,378)	(6,262)
TCA Purchase Requirements	2,550	590	2,035
Provincial Funded Staff (FTEs)	219	200	220